GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:4780
ANSWERED ON:25.04.2000
IMPORT OF LNG
SUNIL KHAN

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government had constituted a core group to explore the possibility of import of LNG for manufacturing of fertilizers in the country;

(b) if so, the details thereof;

(c) whether a proposal for preparation of detailed feasibility Report for import of LNG is being processed by the Government;

(d) if so, the details thereof; and

(e) the time by which the Hindustan Fertilizer Corporation and Fertilizer Corporation of India are likely to be in operation?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SHRI RAMESH BAIS)

(a) to (d): Government had constituted a Core Group to explore the possibility of import of LNG for manufacture of fertilizers. The Core Group submitted its report to the Government in March 1999. The highlights of the project, as recommended by the Core Group are given below:-

(i) A 7 million tonne per annum LNG project, basically for fertiliser feedstock but could also serve complementary sectors like power, domestic gas etc., to be implemented in two phases.

(ii) It is proposed to implement the project as an integrated chain with overseas liquefaction plant, LNG tankers, a regasification terminal and the gas delivery system with pipelines and compressors.

(iii) The suggested location of the regasification terminal was Kishorprasad in Orissa.

(iv) The cost of the project has been estimated at Rs. 21832 crore and a completion schedule of seven-and-half years for both the phases.

Based on the recommendations of the Core Group, the proposal for preparation of Detailed Feasibility Report on the project at an estimated cost of Rs. 25 crore to be funded by the Consortium of various companies is being processed by the Government.

(e) The revamp of Namrup unit of Hindustan Fertilizer Corporation Ltd. (HFC) is already under implementation. The rehabilitation of the remaining units of HFC and various units of Fertilizer Corporation of India Ltd. would depend on the decision of the competent authority in the Government and the final sanction of the Board for Industrial and Financial Reconstruction.